

## ***EXHIBIT H: OPERATING STATEMENTS***

For existing and occupied projects, provide audited financial statements for the prior three fiscal years of project operations. If audited statements are not available, three fiscal years of un-audited financial statements and three corresponding years of certified federal income tax returns of the project should be submitted.

### **ATTACHMENTS**

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- ☐ Audited Financial Statements
- ☐ Un-Audited Financial Statements (only if audited financial statements are not available);  
or
- ☐ Certified Federal Income Tax Returns (only if audited financial statements not available)
- ☐ **Not Applicable.** No information is required for projects that do not exist or are not occupied at the time of application.

## ***EXHIBIT I: RELOCATION AND ANTI-DISPLACEMENT STRATEGY***

For existing and occupied buildings, the applicant must submit a draft of the relocation and anti-displacement strategy for projects that result in the temporary or permanent displacement of current occupants. Instances where a relocation plan is required include the following:

- Tenants will be required to move to facilitate rehabilitation of the building;
- Demolition of existing dwelling units or buildings which are occupied at the time of acquisition or site control; or
- Tenants will be displaced because the proposed rents are not affordable.

The Department uses various sources of local and federal funds to finance projects, all of which may make the project subject to the federal Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (42 U.S.C. 4601 also known as “URA”), §104(d) of the Housing and Community Development Act of 1974 [42 U.S.C. §5304(d)], and/or the local relocation regulation found at Title 10, District Code of Municipal Regulations (DCMR) Chapter 22 regarding resident notice and compensation. Projects that result in any permanent displacement of tenants will be required to follow the requirements of URA and §104(d) regardless of the ultimate funding sources. All applicants should make themselves familiar with any URA, §104(d) and local requirements, including the requirements for issuing the following notices:

- Tenant notices required before submitting an application for financing. A suggested form of general information notification for all current tenants in the project (whether temporarily relocated or not) is provided. This notification is required for all projects.
- Seller notices required before executing a sales contract indicating that the sale is voluntary.

The relocation and anti-displacement strategy must outline the procedures the developer will implement to temporarily and/or permanently relocate tenants during the rehabilitation. The strategy should also identify all costs and expenses that will be paid by the developer or reimbursed to tenants and the source of funds to cover these relocation costs. In addition, applicants should provide a copy of any notification letter sent to current residents, evidence of the manner the notice was delivered (for example, personally served or certified mail) and a list of current tenants, which includes their name, household size and income level (if available).

## ATTACHMENTS

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- ☐ Tenant Notification (form provided)
- ☐ Seller Notification
- ☐ Evidence of Delivery Method of Notifications
- ☐ List of Current Residents
- ☐ Draft Relocation Plan (see attached Guidelines)
- ☐ Relocation Budget
  
- ☐ **Not Applicable.** No information is required for projects that are not existing or not occupied at the time of application.

## ***FORM OF TENANT NOTIFICATION***

[Date]

[Name]  
[Address]

Dear [Name]:

The [Name of Applicant] is interested in buying the building you live in at [Building Address]. The [Name of Applicant] plans to apply for a loan or grant to rehabilitate the building from the District of Columbia Department of Housing and Community Development.

If the loan or grant is provided and the building is rehabilitated, you will not be displaced. Therefore, we urge you not to move anywhere at this time. If you do choose to move, you will not receive any money to help you relocate.

If a loan or grant is provided, you will be able to rent your present apartment (or another suitable, decent, safe and sanitary apartment in the same building) when the rehabilitation is done. Of course, you must comply with standard lease terms and conditions. After the rehabilitation, your rent, including the estimated average monthly utility costs, will not be more than:

- Your current rent and average utility costs, or
- 30% of your average monthly gross household income.

If you must move temporarily so that the rehabilitation can be completed, the owner will find another apartment for you, and will pay for all reasonable extra expenses, including all moving costs and any increase in rent and utility costs.

Again, we urge you not to move. If the funding is approved, you can be sure that we will make every effort to accommodate your needs. If federal assistance would be involved, you would be protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

This letter is important and you should keep a copy of it. You will be contacted soon with more information. In the meantime, if you have any questions about our plans, please contact [Name of Representative], [Title of Representative], at [Telephone Number], [Address].

Sincerely,  
[Signature]  
[Name]  
[Title]

## ***GUIDELINES FOR DEVELOPING A RELOCATION AND ANTI-DISPLACEMENT STRATEGY***

A relocation and anti-displacement strategy is required for projects that result in the temporary or permanent displacement of current occupants of the building. The strategy must outline the procedures the developer will implement to relocate tenants during the rehabilitation. The strategy should also identify all costs and expenses that will be paid by the developer or reimbursed to tenants and the source of funds to cover these relocation costs.

### **GENERAL INFORMATION**

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Provide information on the existing tenants in the project, the scope of relocation activities and interim rent increases.

1. Who will be responsible for the carrying out the relocation and anti-displacement strategy?  

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2. What are the household sizes, family composition (for example, individual, family, elderly) and income levels of the existing tenants?  

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3. How long are tenants likely to be temporarily displaced?  

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4. How many ineligible tenants are likely to be permanently displaced?  

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5. How will the amount of rent increases be determined from the period of application to loan closing (rent increases may not exceed 10% per year without the Department's approval)?  

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## **TENANT NOTIFICATION**

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When tenants will be permanently or temporarily relocated, discuss the procedures to notify tenants at various stages in the process.

6. What are the procedures that have or will be used to initially notify tenants of the proposed rehabilitation of the project (including the type of notifications and the timing)?

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7. What procedures will be used to notify tenants of the proposed rent levels after the completion of the rehabilitation (including the type of notifications and the timing)?

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8. What are the procedures that will be used to notify tenants of their options concerning permanent or temporary replacement housing and what assistance is available to them (including the type of notifications and the timing)?

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9. What are the procedures for notifying tenants that they will be relocated either permanently or temporarily (notifications must be in writing and personally served or sent by certified mail within 90 days of relocation)?

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10. What procedures will be in place to document notifications to tenants at all stages of processing and rehabilitation?

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## **REPLACEMENT HOUSING OPTIONS**

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Address the procedures that will be used to relocate tenants that will be permanently displaced and the process for identifying options for tenants for reasonable replacement housing.

11. How will options for reasonable replacement housing be determined considering factors such as affordability, proximity to the project, desirability of the neighborhood and desirability of the units?

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12. If acceptable replacement housing is not available, what is the amount of payment that will be provided to tenants to account for increased housing costs?

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## **TEMPORARY HOUSING OPTIONS**

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Address the procedures that will be used to relocate tenants that will be temporarily displaced and the process for identifying options for tenants for reasonable temporary housing.

13. How will options for reasonable temporary housing be determined considering factors such as affordability, proximity to the project, desirability of the neighborhood and desirability of the units?

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14. If acceptable temporary housing is not available, what is the amount of payment that will be provided to tenants to account for increased housing costs?

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15. How will tenant moves to and from the project or between units within the project be coordinated?

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## **FINANCIAL REIMBURSEMENT**

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Outline the costs that will be reimbursed to tenants that are displaced.

16. What procedures will be used to reimburse tenants for moving expenses to and from replacement and what is the maximum reimbursement per unit?

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17. What procedures will be used to reimburse tenants for increased housing costs incurred during the temporary relocation?

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## COMMUNICATION AND ASSISTANCE

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Describe the access tenants will have to project staff and other assistance that will be provided to ease the transition.

- 18.** When will tenants have the opportunity to meet personally with the resident manager to discuss questions and concerns about the relocation process?

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- 19.** What advisory services or counseling will be provided to minimize the hardships in adjusting to required permanent or temporary relocation?

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- 20.** If tenants feel that they have not received proper relocation payments or opportunities to relocate to acceptable replacement housing, what process will they have to appeal?

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